



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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June 1, 2000

Ron Ryan
Environmental Specialist
SF Phosphates LLC. Co.
9401 North highway 191
Vernal Utah 84078-7802

RE: Release of Areas Successfully Reclaimed, SF Phosphates Ltd. Co., Vernal Phosphate Operations, M/047/007, Uintah County, Utah

Dear Mr. Ryan:

On May 24, 2000 the Division conducted an inspection at the Vernal Phosphate Operations for the purpose of examining areas reclaimed in 1993 and 1997 to determine if reclamation success has been achieved (inspection memo attached). As a result of this inspection, it was concluded that reclamation efforts have been successful on the remaining five acre parcel located in the northwest corner of 'Panel D' that was reseeded in 1996. It was also determined that all 65.0 acres reclaimed in 1997 (as described in the inspection memo) meet or exceed revegetation reclamation standards.

Based on the results of the May 24th inspection, the Division hereby releases a total of 70.0 acres from further reclamation responsibility. These areas are identified below using the acreage and reclamation year as shown on the map submitted with the annual report for 1999:

ACREAGE RELEASED	YEAR RECLAIMED	PANEL
5.0	1993 & 1996	D
10.3	1997	B
5.0	1997	B
14.6	1997	B
1.5	1997	B
33.6	1997	B

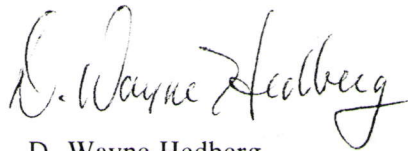
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Ron Ryan
M/047/007
June 1, 2000

According to the latest reclamation progress map received by the Division on January 31, 2000, all areas reclaimed prior to, and during 1997 have now been released. Please revise the next annual report map to reflect these newly released areas.

It is the Division's understanding that SF Phosphates does not desire to reduce the amount of reclamation surety in recognition of these released areas, rather, this reclamation release is part of SF's concurrent mining and reclamation plan. Please notify us if this understanding is incorrect.

Thank you for your commitment to excellent reclamation and the timely manner in which it occurs. Please don't hesitate to call if you wish to discuss these matters further.

Sincerely,

A handwritten signature in black ink, reading "D. Wayne Hedberg". The signature is written in a cursive, flowing style with a large, prominent "D" and "H".

D. Wayne Hedberg,
Permit Supervisor
Minerals Program

jb
Attachment: Inspection memo
cc: Tony Gallegos, DOGM
M47-07.rel